

Minutes of Meeting
Health Services Council
Project Review Committee-II

DATE: 29 April 2010

TIME: 2:30 PM

LOCATION: Conference Room 401

ATTENDANCE:

Name	Present	Absent	Excused
Committee-II			
Victoria Almeida, Esq. (Vice Chair)	X		
Raymond C. Coia, Esq.			X
Joseph L. Dowling, MD	X		
Gary J. Gaube			X
Maria R. Gil	X		
Catherine E. Graziano, RN, PhD	X		
Robert Hamel, RN			X
Daniel Orgel, MPA	X		
Denise Panichas			X
Robert Quigley, DC (Chairman)	X		
Reverend David Shire (Secretary)	X		

Staff: Valentina Adamova, MBA, Michael K. Dexter, MPA, Joseph G. Miller, Esq., Michael Varadian, JD, MBA

Public: N/A

1. Call to Order, Approval of Minutes, Conflict of Interest Forms and Extension for the Minutes Availability

The meeting was called to order at 2:30 PM. The Chair noted that conflict of interest forms are available to any member who may have a conflict. A motion was made, seconded and passed by a vote of six in favor and none opposed (6-0) that the availability of minutes for this meeting be extended beyond the time frame as provided for under the Open Meetings Act. Those members voting in favor were: Almeida, Dowling, Gil, Graziano, Quigley, Shire.

2. General Order of Business

The first item on the agenda was the application of **Rhode Island Home Care, Inc.** for initial licensure as a Home Nursing Care Provider Agency at 222 Reservoir Avenue in Providence.

Ms. Kulik, Executive Director of the applicant, handed out brochures that provide a short summary of the applicant's mission and services. The applicant noted that some of the grants

they originally counted on getting have been frozen. The applicant reviewed the proposed education components of the CNA training program.

Rev. Shire noted the proposal is similar to a for-profit organization and requested that the applicant distinguish how it's different. He noted significant salaries being paid to staff. And the comparable salaries are from very large agencies whereas the applicant's agency will have 10 employees by first full fiscal year. He requested salary information for additional years beyond the years provided in the application. Staff noted that the applicant will need to provide justification for the level of salaries projected in the first years of operation.

The Chair noted that the projections in the application are out of sync with what is usually presented to the Committee by other applicants. He noted the higher levels of salaries. He stated that in some cases, the administrators do not collect salaries in the first few years of operations. The applicant cited the experience of the personnel.

Ms. Gil questioned how the applicant would operate if the grants projected would not materialize. Staff questioned as to which grants the applicant filed for and received. Ms. Kulik stated that in some cases the applicant will be unable to file for grants until it receives licensure.

Sen. Graziano questioned the applicant's Medicare and Medicaid rate projections. She noted that Medicare payment may be reduced. She further questioned the ratio of staff to the number of projected visits. The applicant noted that they will contract for per diem nurses. Staff noted that the application indicated that there would not be contracted services. The applicant stated that over the last week it was informed that the work force grants have been frozen. Staff requested that the applicant update the information in the application.

Staff questioned the level of bad debt projected.

The Vice Chair questioned whether RI Foundation would consider the application for its grants. Ms. Kulik noted that once the applicant is established then RI Foundation will consider it. The Vice Chair questioned whether the applicant was currently providing any services to which the applicant responded no. The Vice Chair cited an example of an unlicensed agency providing home care services.

The Chair noted that the Committee scrutinizes all applications to protect the patient and to make sure the applicants are well qualified.

Sen. Graziano requested that the applicant discuss its fund raising process. The applicant noted that the level of fund raising is going to relate to how well the applicant is able to get grants. The applicant projected fund raising for \$30,000 to \$40,000 per year and that revenue source is included as part of 'grants' in the pro-forma. Sen. Graziano questioned as to what the applicant would do if it was unable to reach the projected levels of grants and fundraising. The applicant indicated that they would need to increase sales.

The applicant noted that they will be providing multi-lingual services. The proposed nurse speaks Spanish.

Staff questioned whether the salary levels were disclosed to IRS. The applicant answered yes. Staff noted that Rev. Shire previously asked the applicant how the organization and structure are different from that of a for-profit agency.

The applicant noted that it would work with the Department of Labor and Training to train CNAs. Sen. Graziano inquired as to how the applicant would perform national BCI checks. The applicant noted that before employment is extended a background check will be performed. Sen. Graziano inquired as to whether the Board of Directors sets the pay scale for the employees. The applicant answered yes.

Sen. Graziano inquired as to whether the applicant would collaborate with neighborhood health centers to make sure their patients have access to these services. The applicant provided examples of such organizations including the Rhode Island Free Clinic and Crossroads.

The Chair noted that staff will provide the applicant with follow-up questions.

There being no further business, the meeting was adjourned at 3:40 PM.

Respectfully submitted,

Valentina D. Adamova, MBA
Health Economics Specialist